



COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

1955 Workman Mill Road, Whittier, CA 90601-1400
Mailing Address: P.O. Box 4998, Whittier, CA 90607-4998
Telephone: (562) 699-7411, FAX: (562) 699-5422
www.lacsd.org

STEPHEN R. MAGUIN
Chief Engineer and General Manager

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Ms. Tracie Billington
California Department of Water Resources
Division of Planning and Local Assistance
1416 Ninth Street, Room 1115-1
P.O. Box 942836
Sacramento, CA 94236-0001

Ms. Shahla Farahnak
State Water Resources Control Board
Division of Financial Assistance
1001 I Street, 16th Floor
Sacramento, CA 95814

Dear Mses. Billington and Farahnak:

**Recommendations for Administration of
Integrated Regional Water Management Grant
Program Funds Under Propositions 50, 84, and 1E**

The County Sanitation Districts of Los Angeles County (Districts) are currently involved with three Integrated Regional Water Management (IRWM) planning efforts, in the Antelope Valley, the Upper Santa Clara River Watershed, and the Greater Los Angeles Region, all of which are drafting or have developed IRWM plans. Based on recent IRWM grant program scoping meetings, it is our understanding that the Department of Water Resources (DWR) and the State Water Resources Control Board (SWRCB) have developed new recommendations for awarding an additional \$132 million of Proposition 50 funds to the nine previously unfunded Round 1 applicants. We also understand that new approaches are under consideration for the consolidated administration of upcoming IRWM grants under Propositions 50 (Chapter 8, Round 2), 84, and 1E.

By way of background, the Districts are a confederation of 24 special districts that operate regional wastewater and solid waste management systems serving over five million residents in 78 cities and unincorporated areas in Los Angeles County. The Districts own and operate 11 wastewater treatment plants located within the three IRWM regions in Los Angeles County. The Districts' facilities supply recycled water to over 500 sites that beneficially reuse 70,000 acre ft per year for applications that range from groundwater recharge to industrial use. These types of water recycling projects are one of the many water management elements being considered in the development of IRWM plans.

The Districts' comments on the proposed DWR/SWRCB recommendations are as follows:

- 1. Allocate the \$196.2 million of remaining Proposition 50, Chapter 8, IRWM program funds to a Round 2 funding cycle to maintain statewide momentum for the IRWM process.**

The IRWM Grant Program Guidelines published by the state in November 2004 specified that \$380 million in IRWM program grant funds would be administered during two funding cycles: \$160 million for the first funding cycle and \$220 million for the second. The Districts believe that DWR and the SWRCB should retain this phased approach, as it is critical for some regions, such as the Antelope Valley and Upper Santa Clara River watershed, which are developing their plans at this time and were not eligible for Round 1 funding.

The Antelope Valley and Upper Santa Clara River Watershed Regions each initiated IRWM processes with the expectation of being able to compete for Proposition 50, Round 2 funds. Although there is a broader value to IRWM planning than just competing for funding, stakeholders in these regions were anticipating the ability to compete for \$220 million in grant funds to assist in funding critical regional water management and projects. The state has already awarded to Round 1 applicants approximately \$30 million more than originally proposed. Further allocation of funds to finalists in the Round 1 funding cycle should not be made, since it will shortchange other, potentially worthy regions from competing for Proposition 50 funds.

- 2. Ensure that at least 50 percent of Proposition 50 IRWMP Funds are awarded to Southern California Regions, and don't single out coastal regions for additional funding.**

Implementing legislation for Proposition 50, Chapter 8 requires that 40 percent of funding go to Southern California, 40 percent to Northern California, and 20 percent is up to the state to award. Based on the distribution of population in the state, and the concomitant pressures on water resources in Southern California, the Districts believe that a minimum of 50 percent--and preferably closer to 60 percent--of the total Proposition 50, Chapter 8 funds should go to IRWM regions in Southern California. This goal will not be achieved with the current proposed allocation of additional Round 1 grants to IRWM regions, most of which are located in Northern California.

It is also our understanding that if the additional funding recommendations are adopted, the SWRCB will allocate a substantial portion of the proposed \$64.2 million remainder in Proposition 50, Chapter 8 solely to coastal regions. We believe that this recommendation is unfair and will result in eliminating from funding consideration many worthy regions with pressing water resource and water quality protection projects. Instead, these funds should be made available on a competitive basis to all regions, with an emphasis on those located in Southern California.

- 3. Administer IRWM grant program funds for Propositions 50 (Round 2), 84, and 1E together with a single application process.**

The Districts support the proposal to administer future IRWM grant program funds together in a consolidated, single application process. We hope that this will facilitate the process and enable the state to administer the funding programs more quickly and efficiently.

4. Direct a portion of the Proposition 50, Round 2 and/or Proposition 84 funds to planning grants for regions working on or wishing to further refine their IRWM plans.

The state can continue to encourage the critical first step of IRWM plan development throughout the state by allocating a portion of the \$196.2 million Proposition 50, Round 2 and/or Proposition 84 "interregional and unallocated" funds to planning grants. As was seen in the application process for planning grants under Proposition 50, there is widespread demand for planning grants to assist regions in formulating and refining their IRWM plans. It is important that this funding be made available as quickly as possible, and that the funding allocation between planning grants and implementation grants reflect the recommended IRWM Grant Program concept of focusing first on adequate planning, to allow as many regions as possible to receive funding to develop or refine their IRWM plans.

We appreciate the opportunity to provide our recommendations for the state's administration of future IRWM grant program funds and look forward to working with the Department of Water Resources and State Water Resources Control Board to address our local water resource issues.

Should you have any questions, please call Sharon Green, extension 2503 or Brian Dietrick, extension 2703 of my staff at the number listed above.

Very truly yours,

Stephen R. Maguin



Thomas J. LeBrun
Department Head
Facilities Planning Department

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cc: S. Green
M. Zauner